

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5512

April 29, 2004

TO: AGENCY DISTRIBUTION LIST

**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE
RIVERSIDE PUBLIC UTILITIES APPLICATION FOR A SMALL POWER PLANT
EXEMPTION (04-SPPE-1)**

On April 29, 2004, Riverside Public Utilities (RPU) filed an application for a Small Power Plant Exemption (SPPE). RPU is seeking an exemption from the California Energy Commission's licensing requirements. If an exemption is granted, the applicant would need to secure the appropriate licenses and permits for the project from various local, state and federal agencies. Enclosed is a CD of the application. If you need a paper copy of the application, please contact the Project Manager at the address below.

RPU proposes to build and operate a nominal 96 MW simple-cycle power plant on a 12-acre fenced site within the City of Riverside, California. This proposed facility is referred to as the Riverside Energy Resource Center (RERC) Project. RPU would develop, build, own and operate the facility. The proposed site is owned by the City of Riverside and is adjacent to the City's Waste Water Treatment Plant in a light industrial/manufacturing area. The Waste Water Treatment Plant is located on the west side of the Project and includes a 3.3 MW cogeneration facility. The cogeneration plant at the Waste Water Treatment Plant would be the source of power to black start the RERC plant. The two facilities would be cross-tied for both electrical power and compressed air. The power plant and associated administration building and warehouse would occupy approximately 8 of the 12 acres with the additional 4 acres reserved for equipment storage and construction parking. The power plant and associated administration building and warehouse would occupy approximately 8 of the 12 acres with the additional 4 acres reserved for equipment storage and construction parking.

The plant would consist of two General Electric LM6000 PC SPRINT combustion turbine generators equipped with inlet air chiller coils, exhaust ducting, flue gas treatment system to meet the proposed air emission limits, a common chiller package with cooling tower, gas compressor equipment, water storage and treatment facilities, emission monitoring system, zero liquid discharge (ZLD) wastewater treatment system and electrical transmission and interconnection system and associated auxiliary systems and equipment.

The proposed project would include the construction of approximately 1.75 miles of new double circuit 69kV transmission line interconnecting RERC to the Mountain View and Riverside substations. Natural gas fuel would be supplied to RERC from a Sempra transmission line that passes next to the northeast corner of the site boundary. A short (~140') natural gas service line would be constructed to connect

from the existing Sempra transmission pipeline to the onsite meter station.

Potable water for sanitary use would come directly from the City's general water supply. The adjacent WWTP would supply reclaimed water for plant process and cooling water. The RERC would utilize a Zero Liquid Discharge (ZLD) system that would eliminate the need to discharge process wastewater to the WWTP.

ENERGY COMMISSION'S FACILITY EXEMPTION PROCESS

The Energy Commission is responsible for reviewing and ultimately approving or denying all thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's SPPE process allows projects between 50 and 100 MW to proceed with local approval rather than requiring an Energy Commission license. An exemption from this licensing process is available if the Energy Commission finds that the project would not create a substantial adverse impact on the environment or energy resources. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), and will prepare an Initial Study that examines the public health and safety, and environmental impacts of the proposed project, including all related facilities such as electric transmission lines, natural gas pipelines, and waterlines.

During the next four months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the exemption request should be approved and under what set of conditions. These workshops provide the public, as well as local, state and federal agencies, the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings, normally 14 days, but in no case later than 10 days, prior to each meeting.

AGENCY PARTICIPATION

We request that you provide any written comments you may have regarding potential issues of concern by May 7, 2004. Please provide your comments to Dr. James W. Reede, Jr., Siting Project Manager, at (916) 653-1245 or by email to jreede@energy.state.ca.us.

Your participation in the proceeding is encouraged and would consist of identifying and working to resolve issues of concern to your agency. If the Energy Commission approves the Riverside Energy Resource Center Project (RERC), and exempts it from the Application for Certification process, it would issue a Negative Declaration or Mitigated Negative Declaration. The applicant would then be responsible for obtaining all necessary local, state and federal permits required to construct and operate the project. If you have questions or would like additional information on how

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to participate in the Energy Commission's review of the project, please contact James W. Reede, Jr. Ed.D, the Siting Project Manager.

The status of the project, copies of notices and other relevant documents would be placed on the Energy Commission's web site at:

<http://www.energy.ca.gov/sitingcases/riverside>

Sincerely,

PAUL RICHINS, JR.
Energy Facilities Licensing Program Manager

Enclosure

Mailed to Riverside Energy Resource Center Agency Mail List 7187